

period, not counting days of unemployment or sickness in the employee's non-compensable waiting period. This part explains how the daily benefit rate is determined.

§ 330.2 Computation of daily benefit rate.

(a) *Basic formula.* A qualified employee's daily benefit rate for a given benefit year, as defined in part 302 of this chapter, is an amount equal to 60 percent of the employee's daily rate of compensation for his or her last railroad employment in the applicable base year, but such rate will not exceed the maximum amount set forth in paragraph (b) of this section nor will it be less than \$12.70 per day.

(b) *Maximum daily benefit rate.* The maximum daily benefit rate is the greater of \$30.00, or the amount computed on the basis of this formula:

$$BR = 25 \left(1 + \frac{A - 600}{900} \right)$$

In this formula, "BR" represents the maximum daily benefit rate, and "A" represents the amount obtained by dividing, by 60, the amount of the tier I Railroad Retirement Tax Act earnings base as provided for in section 3231(e)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 3231(e)(2)) for the calendar year in which the benefit year begins, with this quotient being rounded down to the nearest multiple of \$100.00. If the maximum daily benefit rate so computed is not a multiple of \$1.00, the Board will round it to the nearest multiple of \$1.00. Such rounding will be upward if the amount so computed is equidistant between two multiples of \$1.00.

(c) *When increase effective.* Whenever the annual application of the formula in paragraph (b) of this section triggers an increase in the maximum daily benefit rate, such increase will apply to days of unemployment or days of sickness in registration periods beginning after June 30 of the calendar year involved in the computation of "A" in that formula.

(d) *Notice.* Whenever the annual application of the formula in paragraph (b) of this section triggers an increase in the maximum daily benefit rate, or if

the annual application of the formula does not trigger an increase, the Board will publish a notice in the FEDERAL REGISTER explaining how it computed the maximum daily benefit rate for the year. The Board will also notify each employer of the maximum amount of the daily benefit rate. The Board will make the computation as soon as it knows the amount of the tier I Railroad Retirement Tax Act earnings base under section 3231(e)(2) of the Internal Revenue Code of 1986 for each calendar year and will publish notice as soon as possible thereafter but in no event later than June 1 of each year. Information as to the current amount of the maximum daily benefit rate will also be available in any Board district or regional office or from the Bureau of Unemployment and Sickness Insurance.

(e) *Sources of information.* In determining an employee's daily rate of compensation for the purpose of computing his or her daily benefit rate, the Board will rely on information furnished by the employee and his or her last employer in the base year. An employee's earnings from employment not covered by the Railroad Unemployment Insurance Act are not considered in computing his or her daily benefit rate.

§ 330.3 Daily rate of compensation.

(a) *Definition.* An employee's daily rate of compensation is his or her straight-time rate of pay, including any cost-of-living allowance provided in any applicable working agreement. It does not include any overtime pay, penalty payment, or other special allowance except as hereinafter provided. An employer's or employee's report of the daily rate of compensation shall, in the absence of information to the contrary, and subject to the considerations set forth in this section and §§ 330.4 and 330.5, be considered to show the daily rate of compensation of the employee by or for whom the report has been furnished. Where a rate other than a daily rate is reported, the Board will convert it to a daily rate.

(b) *Hourly, weekly or monthly rate.* An hourly rate shall be converted to a daily rate by multiplying such hourly